Headquarters U.S. Air Force

Integrity - Service - Excellence

Expeditionary Logistics for the 21st Century: eLog21

Awareness Event Briefing

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Contents

- Change Management
- eLog21 Strategy
- eLog21 Architecture and Key Enablers
- Logistics Process Flow
- Example Job Role Impact
- eLog21 Timeline

Change Management

eLog21 Change Management Approach

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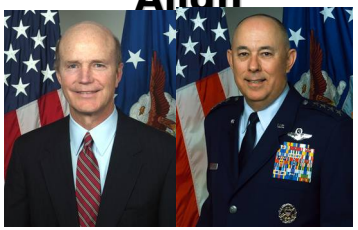
Assess and Monitor Risk

Address Organizational

Mobilize & Align



The Air Force eLog21 change approach mitigates risk and aligns the Air Force across logistics to successfully implement the changes

Prepare & Equip the Workforce

Engage & Communicate with Stakeholders

The eLog21 Change Management approach will provide support in five major areas to achieve our objectives

Change Management Activities

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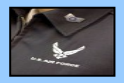
Assess and Monitor Risk 	➢ Leadership Baseline Assessment • Stakeholder Analysis • Risk Assessment
Mobilize & Align Leaders	➢ eLog21 Articulated Case for Change ➢ eLog21 Leadership Strategy ➢ Leadership Action Plans ➢ Leadership Toolkit ➢ Leadership Workshop ➢ Governance Council
Engage & Communicate Stakeholders	➢ Campaign Plan ➢ Change Plan & Mobilization and Alignment Plan (MAP) ➢ Communication Plan ➢ Communication Toolkit ➢ eLog21 Events ➢ Change Management Toolkit ➢ eLog21 Articles and Newsletters ➢ Fact Sheets/FAQs ➢ Change Management Training/Support ➢ eLog21 Events
Prepare & Equip the Workforce	➢ Workforce Transition Strategy ➢ Training Strategy ➢ eLog21 Foundation Education • eLog21 Awareness • Best Practices • Core Skills
Address Organizational Implications	➢ Resource Assessment

On-Going Change Management Support

eLog21 Strategy

eLog21 Strategy-Focused Planning

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Mission of Logistics

Enabling =War-Winning Capability

- Get the Force to the Fight
- Keep the Force in the Fight
- Prepare for the Next Fight

Vision

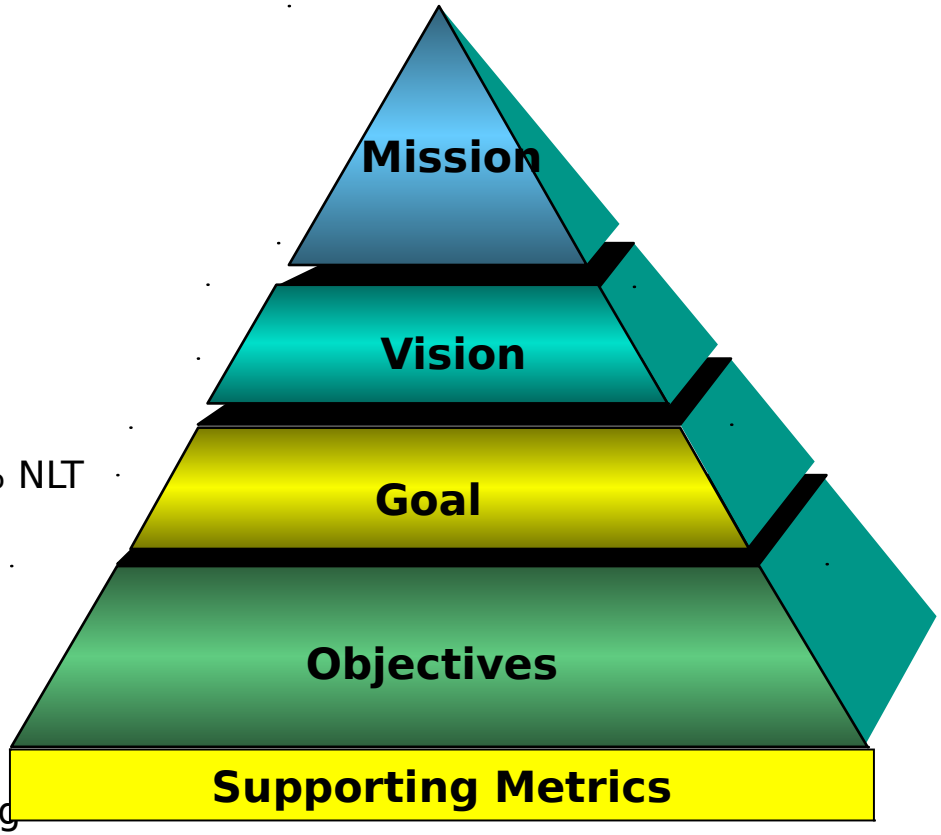
- Expeditionary, Net-Centric Operations
- Enterprise Focused Business Systems and Processes
- Lean Operating Principles
- Performance-Based Management

Goals

- 20% Equipment Availability Improvement
- Reduce Annual Operating Support Cost by 10% NLT FY11

Objectives

- Ensured Mission Preparedness & Performance
- Improved Reliability of Support
- Lower Total Cost of Support
- Improved Cost/Req’ts Predictability
- Reduced Cycle Times—Lean Business Operating System
- High Performing, Flexible Workforce
- Institutionalize Transformation Processes



eLog21 Campaign Initiatives

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ARCHITECTURE & GOVERNANCE

- Logistics Enterprise Architecture (LogEA)
- Portfolio Management
- Air Force Data Strategy
- Performance Management

Product Support and Engineering

- Total Life Cycle System Management
  - Product Support Camp
- Condition Based Maintenance+
- Asset Marking and Tracking
- Demand Management
- Operations Safety Suitability & Effectiveness Tools
- [illegible]

Supply Chain Management

- Integrated Planning System (IPS/APS)
- Purchasing Supply Chain Management (PSCM)
  - Strategic Sourcing
  - Commodity Councils
  - Supplier Management Tools
- Strategic Distribution
- Weapon System Supply Chain Management

Expeditionary Operations and C²

- WFHQ/ Agile Combat Support C2
  - Log Supt Centers
- AF Common Operating Picture
  - I&L COP
- Decision Support Tools

Maintenance, Repair and Overhaul

- Field MX & Regional Maintenance
  - CONUS CIRFs
- Re-engineering Depot Maintenance (DMT)
- AF Lean Maintenance Enterprise Integration

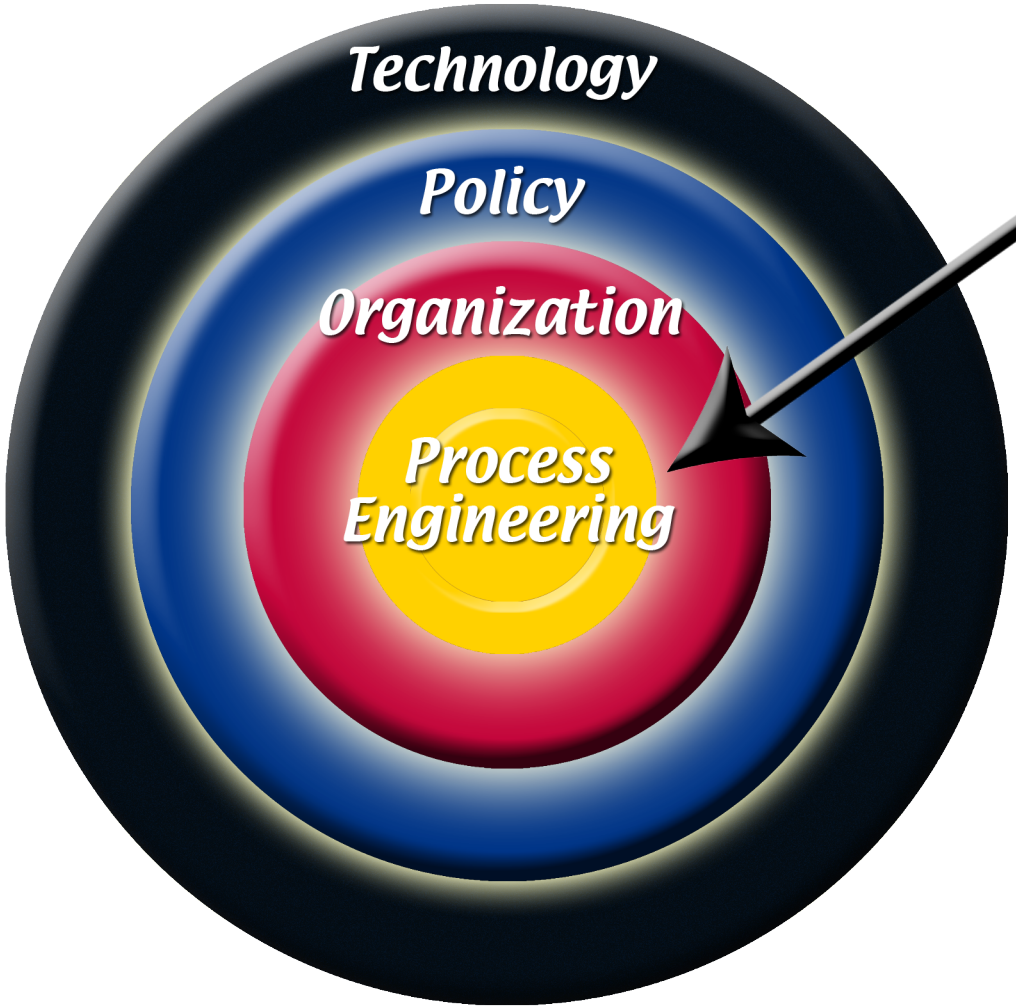
ENABLING PROCESSES AND TECHNOLOGY

- Future Financials
- Agile Combat Support (ACS)/Assured Connectivity
- Workforce

Continuous Process Improvement (CPI) | Change Management (CM) | Capability-Based Programming (CBP)

IT Strategy/Expeditionary Combat Support System (ECSS)

IL Transformation Approach

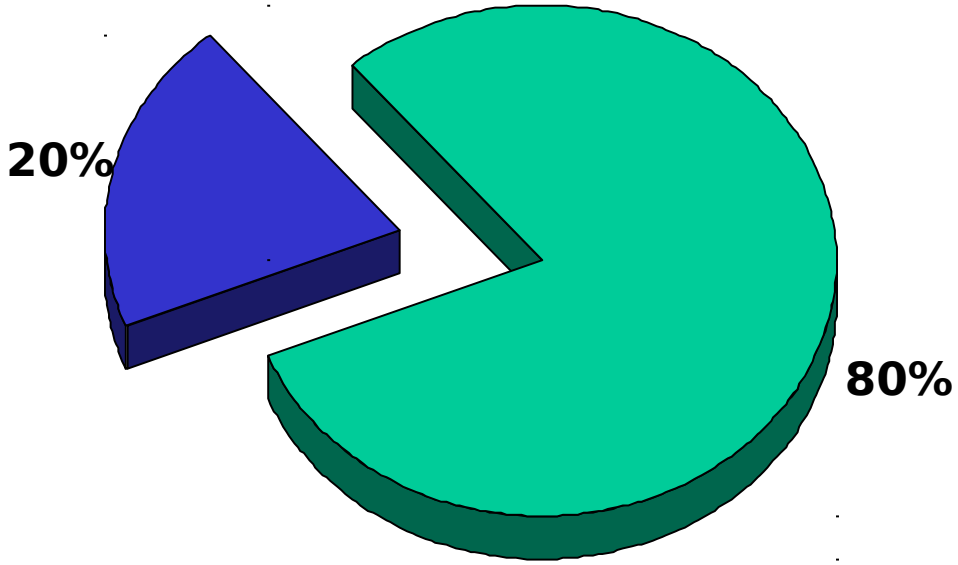


The Core of Change

Continuous Improvement

Our Real Challenge

eLog21 is not focused on technology but process improvement and necessary change management.



Requires strong commitment to transform processes

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Commitment to Change

Success requires strong, consistent leadership and governance.

- Support from the SECAF and Chief
- Long-term commitment from leadership across the enterprise
- Dedication of large full-time cross-functional teams
- Adherence to a cross-functional governance structure
- Change Management on a scale never attempted by the AF Logistics community
- Compliance to the new IT architecture

Commit to making this happen or choose another path!

eLog21 Architecture and Key Enablers

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Key LogEA Objectives

The future logistics vision is focused on delivering capability to the warfighter that is sustainable. Implementation of the future logistics CONOPS focuses on three key elements:

 # 1 **Establishing a Customer-Focused Enterprise-Wide Perspective**

 # 2 **Developing a lean, fully Integrated Logistics Enterprise**

 # 3 **Data exploitation and predictive logistics awareness**

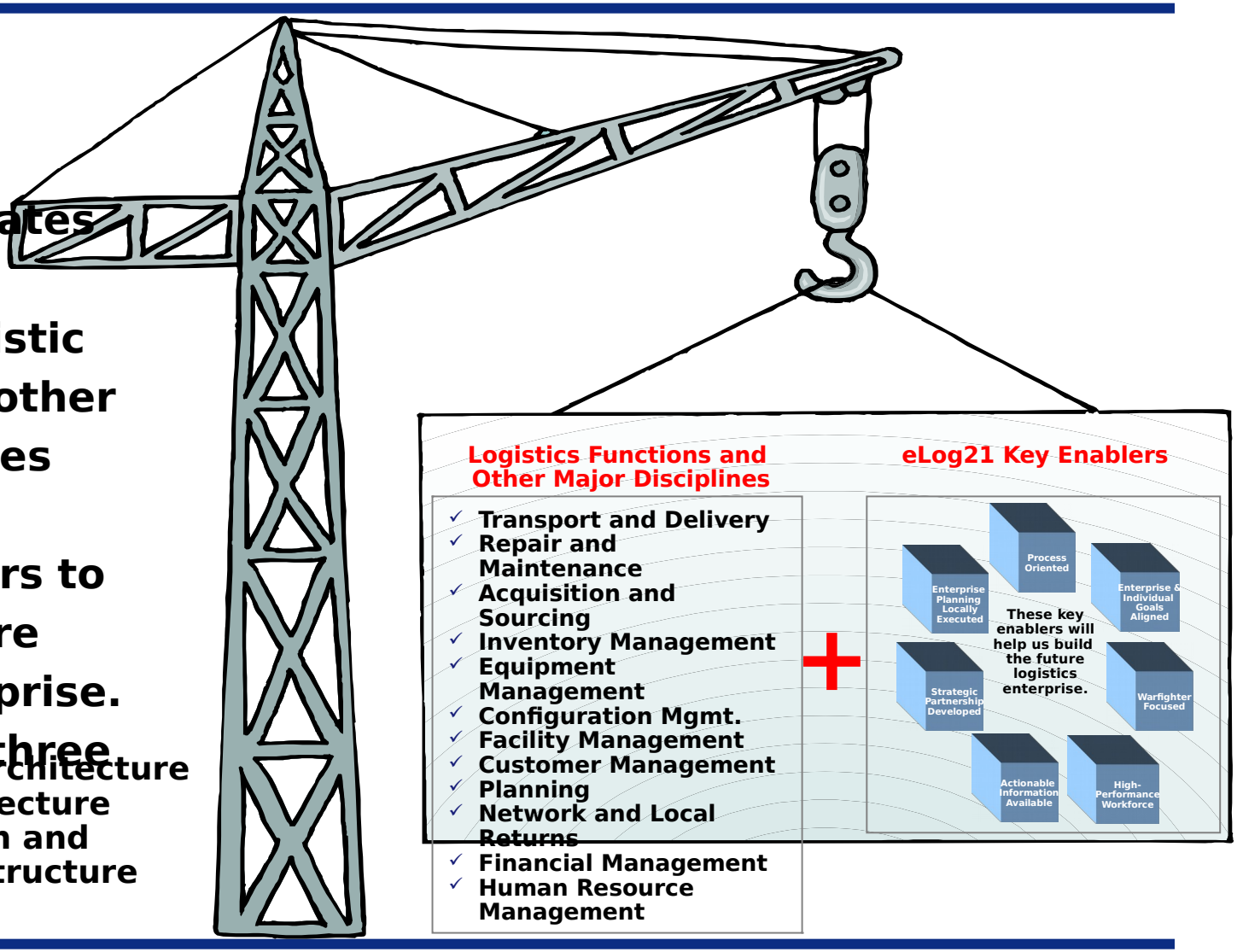
Foundation for Driving Performance

LogEA

The Logistics Enterprise Architecture (LogEA) integrates the Air Force's traditional logistic functions and other major disciplines with the key eLog21 enablers to build the future logistics enterprise.

It consists of three components:

1. **Operational Architecture**
2. **System Architecture**
3. **Transition Plan and Governance Structure**



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eLog21 Key Enablers

By enabling enterprise planning with decentralized execution, the future logistics enterprise will have **Enterprise Planning Locally Executed**.

Enterprise Planning Locally Executed

Process Oriented

By focusing objectives and goals on integrated processes not functions, the future logistics enterprise will be **Process Oriented**.

Enterprise & Individual Goals Aligned

By tying enterprise objectives with organizational and individual performance metrics, the future logistics enterprise will have **Enterprise & Individual Goals Aligned**.

By enabling optimal sourcing plans and comprehensive analysis of make, buy, and redistribution alternatives, the future logistics enterprise will have **Strategic Partnerships Developed**.

Strategic Partnership Developed

These key enablers help us build the future logistics enterprise.

Customer Focused

By meeting warfighter requirements on time and affordably, the future logistics enterprise will be **Customer Focused**.

Actionable Information Available

By providing actionable, integrated information accessible across the enterprise using COTS technology, the future logistics enterprise will have universal **Actionable Information Available.**

High-Performance Workforce

By providing continuous learning on commercial best practices and supporting a self-directed work structure, the future logistics enterprise will train a **High-Performance Workforce**.

LogEA Design Requirements

Process Oriented

- **Support processes that cross logistical functions and domains**
- **Maintain a focus on continuous process improvement by ensuring that AF logistics processes are value added and oriented toward AEF goals**
- **Focus AF logistical objectives and goals on processes not functions**
- **Enable organizational restructuring through cross-functional continuous process improvement activities**

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LogEA Design Requirements

Enterprise & Individual Goals Aligned

- **Align balanced scorecard with enterprise metrics and goals cascaded down and across the enterprise**
- **Manage rewards and promotions based on achieving individual contributions to AEF goals**
- **Cascade capability based goals through operating plans to drive supply chain planning**
- **Align delivery to plans and to enterprise goals**
- **Drive enterprise priorities and needs by sourcing and resource assignment decisions**

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LogEA Design Requirements

Customer Focused

- **Establish AF logistics goals through collaboration with Warfighters**
- **Balance Warfighter requirements with Logistics through the use of modeling and simulation tools**
- **Develop collaborated goals that are dynamic and responsive to expeditionary deployment**
- **Enable customers complete and immediate visibility to material availability and delivery due dates**
- **Validate demand through customer collaboration**

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LogEA Design Requirements

- **Develop cross-functional competencies (skills) required for success in the future state**
- **Require personnel to complete continuing education credits annually and to maintain professional certifications (APICS, ISM, CSSCP, etc)**
- **Require instruction in commercial best practices through continuing education programs**
- **Train professional forecasters to be skilled in statistics and knowledgeable in the materials they manage**
- **Develop professional, distribution network planners and Product Lifecycle Managers**

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LogEA Design Requirements

- **Ensure total asset visibility across the enterprise by employing a cradle-to-grave asset tracking capability**
- **Enable consistent planning and execution by providing near-real time common data**
- **Integrate systems to provide dynamic performance metrics**
- **Provide modeling and simulation capabilities to permit dynamic optimization of site location, inventory position, and transportation/delivery routes**
- **Enable Product Lifecycle Managers to be responsible for assets from "womb to tomb"**

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LogEA Design Requirements

Strategic Partnership Developed

- **Use strategic sourcing agreements to define service provider responsibilities and expectations**
- **Enable optimal sourcing plans – economic assessments of make, buy, and distribution alternatives – through analytical tools**
- **Validate sourcing assumptions and plans between operations and planning units and with organic, DOD, and other service providers**
- **Engage internal sources and outside service providers in the planning process to validate and upgrade decisions**
- **Monitor supplier failures for early problem detection**

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LogEA Design Requirements

Enterprise Planning Executed Locally

- **Establish network and capital plans by collaborating balance network capabilities with operating requirements**
- **Drive sourcing and resource assignments by enterprise priorities and needs**
- **Develop an enterprise delivery plan in collaboration with internal and external suppliers**
- **Enterprise Planners responsible for inventory decisions (purchasing decisions) and execution level decisions flow back through planners**
- **Enterprise Planners responsible for production decisions across the SORs and execution level decisions flow back through planners**

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Logistics Process Flow

Logistics Architecture Construct

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Operational

Tactical ⟷ Strategic

Network Ops Shared Services
- Regional Supply
- Regional Repair
- Regional Distro
- Shared Contracting

Enhanced Collaboration
- Central Planning/Synchronization
- Demand–Supply–Repair–Distro
- Performance Agreements

Transaction Processing
- Inventory Management
- Technical Services
- Back Shop / Support Ops

- Increased Availability
- Decreased Cost
- Duty Day Reduction

- Sharpen Focus on Fight & Fix
- Integrate FTF

- Region/Global Expeditionary Focus
- Fused Intel/ops Collaboration
- Real Time C2 (MAJCOM & AFFOR)

- Enterprise Combat Support Focus
- Enterprise Planning & Sourcing
- Network Integration
- Predictive Logistics

- Fulfillment Agents
- Performance Based
- Strategic Sources

Air Force Logistics Top Level View

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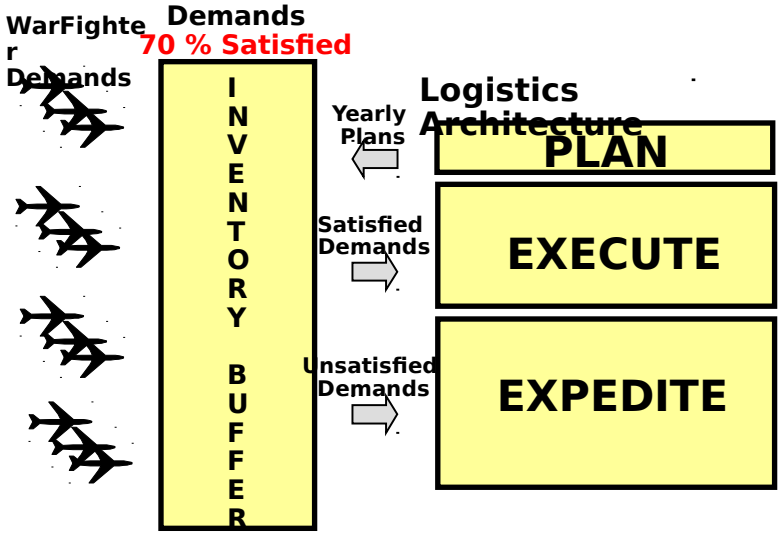
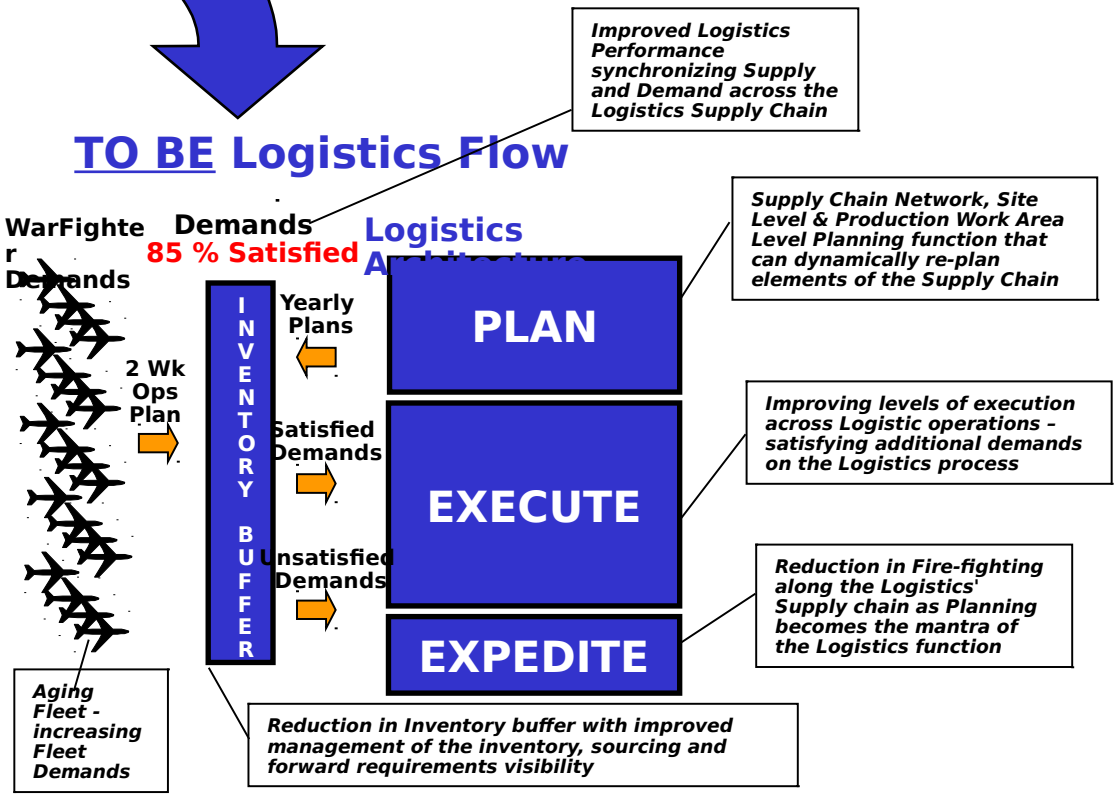
AS IS Logistics Flow



Transformation enables a time-phased transition to a proactive, cross-functional, integrated, high performance Logistics operation

TO BE Logistics Flow


Improved Logistics Performance synchronizing Supply and Demand across the Logistics Supply Chain
Supply Chain Network, Site Level & Production Work Area Level Planning function that can dynamically re-plan elements of the Supply Chain
Improving levels of execution across Logistic operations – satisfying additional demands on the Logistics process
Reduction in Fire-fighting along the Logistics' Supply chain as Planning becomes the mantra of the Logistics function
WarFighter Demands
Demands
85 % Satisfied
Logistics
INVENTORY BUFFER
Yearly Plans
PLAN
2 Wk Ops Plan
Satisfied Demands
EXECUTE
Unsatisfied Demands
EXPEDITE
Aging Fleet - increasing Fleet Demands
Reduction in Inventory buffer with improved management of the inventory, sourcing and forward requirements visibility

Air Force Logistics Functional View

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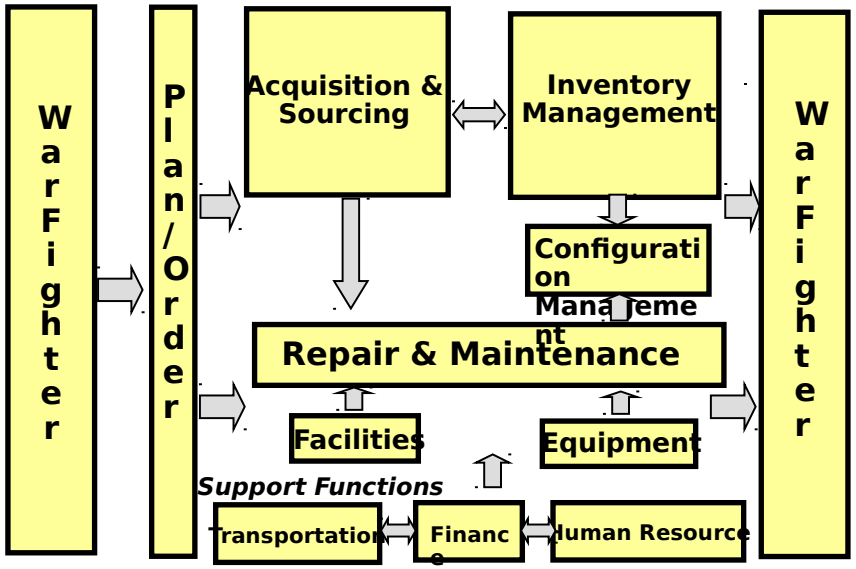
AS IS Logistics Architecture



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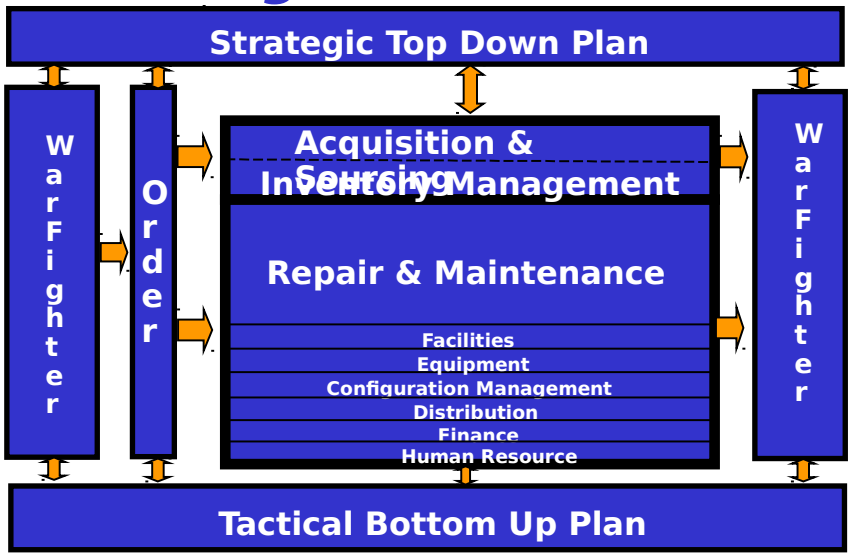
TO BE Logistics Architecture



AS IS Air Force Logistics Transformation Focus

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Integrated Planning Initiative (APS), PSCM, Strategic Distribution, provide visibility to capacity across the supply chain and improved forecasting and analysis

PBL and PSCM (Supplier Relationship Management & APS) provide strategic and aggressive inventory policy

ECSS (ERP & Bolt-Ons) and UID/RFID provide an integrated Planning and Execution environment that streamlines operations

AS IS Logistics Architecture

The ILI Office through LogEA, Performance, Change & Portfolio Management as well as Future Workforce & Financials provide the foundation for the Supply Chain transformation

PSCM (Commodity Councils) Initiative (APS) provides material cost reduction & improved supplier service levels

PLM / PDM enables Engineering workflow and improved Configuration Management

WSSCM, PSCM, C2 SCOP provide an basis for tightly managing the customer

CBM+, DMT, CIRF & RSS using Continuous Improvement (Lean, etc.) increases capacity through elimination of waste

ECSS, DEAMS, DPHRS provide an integrated basis for key support processes

PSCM (Field & Regional MX) RSS & CIRF rationalize Facilities and drive flexible Facilities optimization

Future Financials streamline financial processes

AMT, APS, PSCM provide visibility, tracking and optimization of equipment and tooling across the Supply Chain

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Changes In Process

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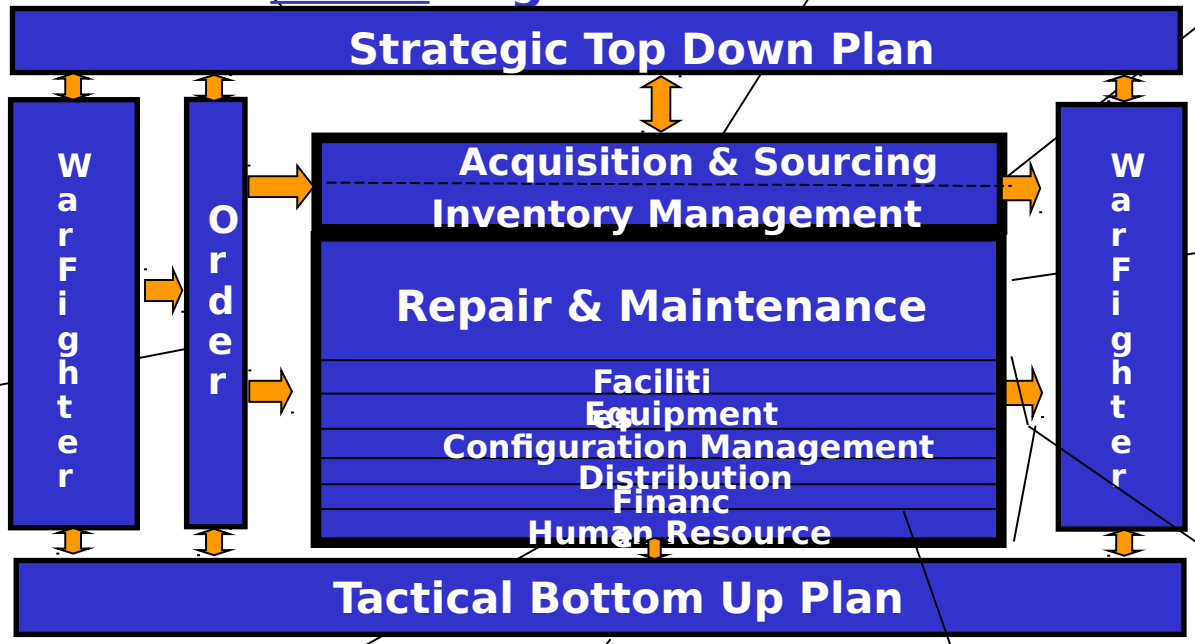
Integrated Planning Initiative (APS) improves the ability for comprehensive Supply Chain Planning across the AF Supply Network, What if capability & Capacity Management

PBL and Acquisition & Sourcing is streamlined through Commodity Councils, ECSS visibility and integration

Inventory Management is streamlined (time-compressed) through ECSS integration, visibility, and dynamic inventory management

TO BE Logistics Architecture



ECSS provides streamlined ordering across the Supply operations

Repair & Maintenance through-put increases (through CBM+ and various Process Improvement Initiatives) increasing Repair productivity and capacity

Cross-functional integrated processes replace stovepipe departmental capabilities, reducing rework, incomplete repairs and unplanned changes

ECSS, DEAMS, DPHRMS provide integrated capabilities to support processes so that exception processing is reduced

Integrated Planning Initiative (APS) provides the ability for Local Plan Management & Execution

Future Financials streamline financial processes

Example Job Role Impact

Integrated Planning & Execution

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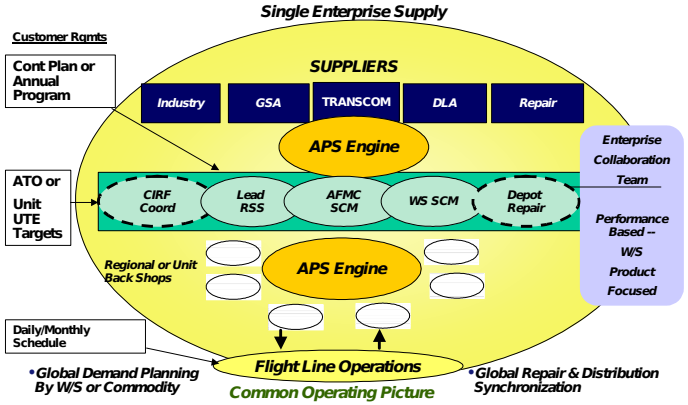
Improving Global Planning & Collaboration



Collaborative Global Planning & Execution

- Enterprise wide planning via enterprise team
  - AF Demand,Supply,maintenance,distribution plan
  - Assets and capabilities planned across the AF (integrates field and national operations)
  - Tied to operational requirements & AEF rhythm
  - Bi-weekly re-planning steady state
- Enterprise wide execution thru national (AFMC, DLA, et al) and regional C2 operations
  - Consolidating RSS to weapon systems
  - Expanding RSS to full up Log Support Centers
  - Embedding Log Supt Ctrs into ACS C2/AFFOR HQ

Collaborative Global and Execution Planning

- Execution nodes will manage assets and capabilities worldwide
  - Executing and adjusting the tailoring the plan
  - Integrating repair operations across the AF including increasing use of CONUS and OCONUS regional repair operations
  - Integrating supply chain operations across the AF
  - Moving assets to point of need to support AEF requirements

Moving from a tactical orientation to strategic leverage of our assets and capabilities

Integrated Planning & Execution

- 5 ALC Pilots Up and Running
  - Demand & Supply Planning, BOMs, depot repair
- ACC/AF/AFMC working collaboration issues
  - Role of wing/RSS/LSC/depot et al
  - Interface with operations
- Planned pathfinder expansion (congruent with ECSS)
  - AMC w/s – enroute/FSS structure
  - Repair & distribution planning across enterprise a
- Ultimate software in ECSS Source Selection
- OSD PDM directed Joint APS Program – AF Lead

Progress Continuing -- Major business decisions on the horizon

Integrated Planning & Execution Impact

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Integrated Planning & Execution

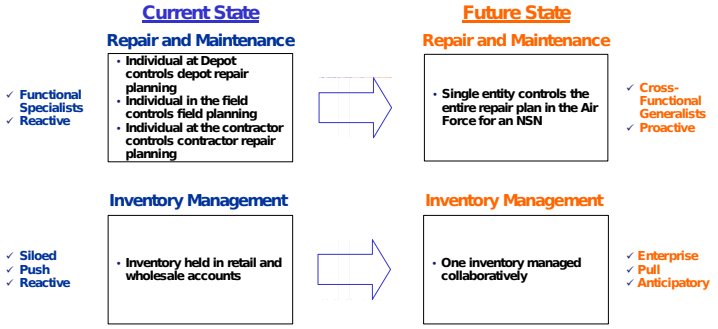
IPE processes enabled by an Advanced Planning and Scheduling tool will give the Air Force the ability to better synchronize the Air Force-wide Supply Chain across organizational and functional lines and provide a single, common plan for all participants regardless of location or job role.

Implications

- Job roles are process oriented
- Job roles require cross-functional skills
- Some job roles will change; others will stay the same
- Job impact is enterprise-wide

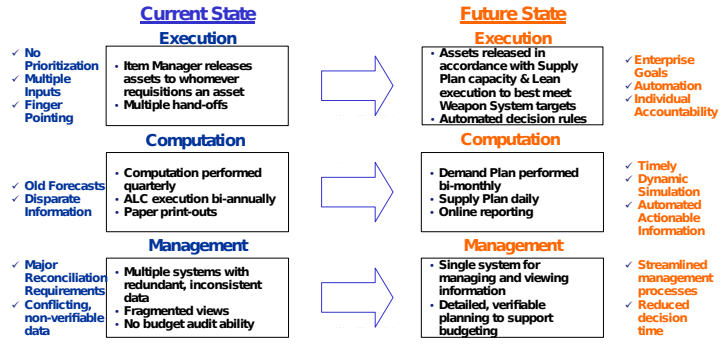
Process Oriented Job Roles

Job Role Implications


Current State
Repair and Maintenance
✓ Functional Specialists
✓ Reactive
• Individual at Depot controls depot repair planning
• Individual in the field controls field planning
• Individual at the contractor controls contractor repair planning
Future State
Repair and Maintenance
• Single entity controls the entire repair plan in the Air Force for an NSN
✓ Cross-Functional Generalists
✓ Proactive
Inventory Management
✓ Siloed
✓ Push
✓ Reactive
• Inventory held in retail and wholesale accounts
Inventory Management
• One inventory managed collaboratively
✓ Enterprise
✓ Pull
✓ Anticipatory

Process Oriented Job Roles

Job Role Implications


Current State
Future State
Execution
✓ No Prioritization
✓ Multiple Inputs
✓ Finger Pointing
• Item Manager releases assets to whomever requisitions an asset
• Multiple hand-offs
• Assets released in accordance with Supply Plan capacity & Lean execution to best meet Weapon System targets
• Automated decision rules
✓ Enterprise Goals
✓ Automation
✓ Individual Accountability
Computation
✓ Old Forecasts
✓ Disparate Information
• Computation performed quarterly
• ALC execution bi-annually
• Paper print-outs
• Demand Plan performed bi-monthly
• Supply Plan daily
• Online reporting
✓ Timely
✓ Dynamic Simulation
✓ Automated Actionable Information
Management
✓ Major Reconciliation Requirements
✓ Conflicting, non-verifiable data
• Multiple systems with redundant, inconsistent data
• Fragmented views
• No budget audit ability
• Single system for managing and viewing information
• Detailed, verifiable planning to support budgeting
✓ Streamlined management processes
✓ Reduced decision time

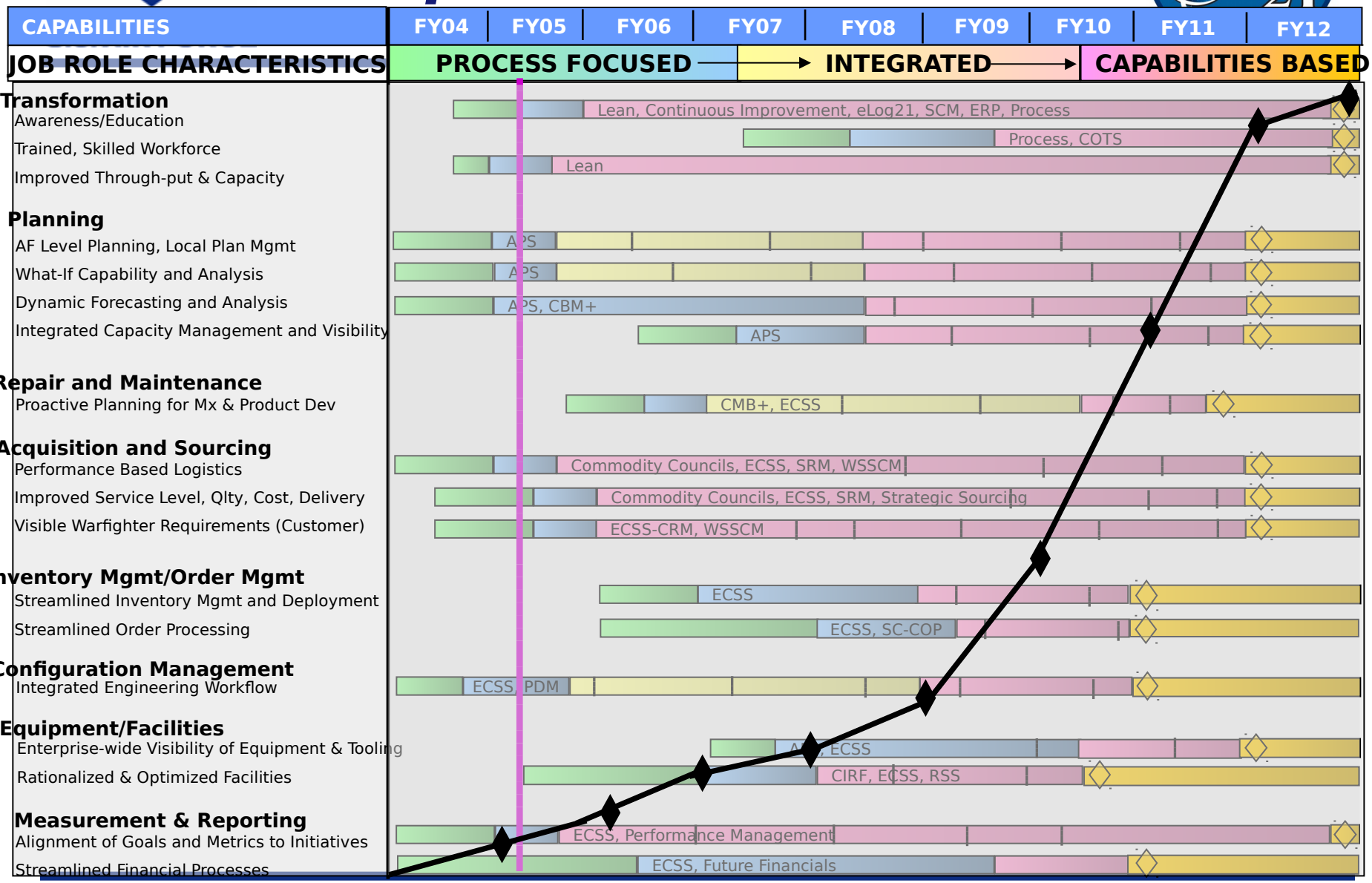
Process Oriented Job Roles

IPE Integration

- IPE is a key element of the overall transformation plan
  - Enterprise alignment/synchronization
- Drives major implementation changes
  - Job Skills as well as roles change
  - Organizational adjustments required to facilitate
  - Enabling Processes and Systems will be required
- IPE will evolve as we deploy the capability
  - Pieces are in development e.g. APS, LSC, et al
  - Phasing and timing will be critical
- MAJ COMs (including AFMC) have a long way to go

Timeline

Capabilities Timeline



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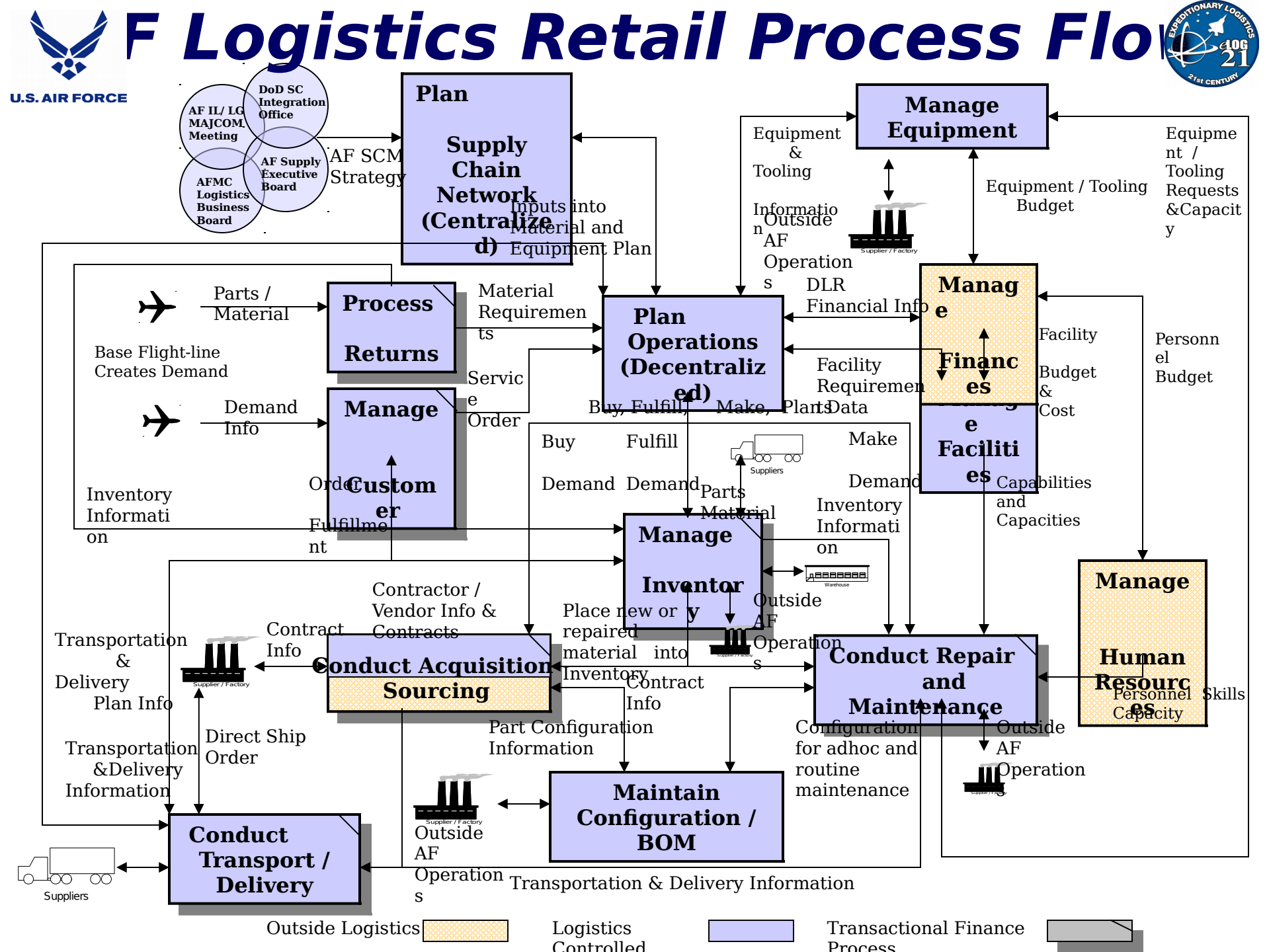
Appendix

F Logistics Retail Process Flo



Capabilities Timeline